

Message Text

PAGE 01 STATE 140864

41

ORIGIN EA-14

INFO OCT-01 ISO-00 PA-04 PRS-01 USIA-15 H-03 SS-20 DPW-01

INR-10 RSC-01 SAJ-01 ACDA-19 CIAE-00 DODE-00 PM-07

L-03 NSAE-00 NSC-07 SP-03 XMB-07 EB-11 INT-08 COME-00

TRSE-00 AID-20 FEA-02 /158 R

DRAFTED BY EA/P:STAFF:PP

APPROVED BY EA/P:AHROSEN

----- 081283

R 282240Z JUN 74

FM SECSTATE WASHDC

TO AMEMBASSY SAIGON

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

TREASURY

USAGE NKP

USDEL JEC PARIS

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

CINCPAC

COGARD

XMT AMEMBASSY SUVA

UNCLAS STATE 140864

COGARD FOR POLAD

E.O. 11652:N/A

TAGS: PFOR, XC, US

SUBJECT: JUNE 28 EA PRESS SUMMARY

INDOCHINA

1. SEN. KENNEDY, SUPPORTED BY MCGOVERN, ACCUSED

UNCLASSIFIED

PAGE 02 STATE 140864

AMB. MARTIN THURSDAY OF TRYING TO USE "DIPLOMATIC
BLACKMAIL" AGAINST ICRC. IN SENATE SPEECH, KENNEDY
MADE PUBLIC CONFIDENTIAL CABLE TO DOS SUGGESTING US
WITHHOLD 2 MILLION DOLS CONTRIBUTION TO RED CROSS

INDOCHINA AID IN ATTEMPT TO BLOCK VC PARTICIPATION IN ICRC GENEVA CONFERENCE IN SEPT. ON MODIFYING WARFARE CONVENTIONS. KENNEDY CHARGED MARTIN'S PROPOSAL AMOUNTED TO "SABOTAGE OF NEEDED AND IMPORTANT INTERNATIONAL HUMANITARIAN PROGRAM"(UPI, PHINQ; REUTER, NYPOST 6/27). WP ADDS KENNEDY QUOTED AMB. AS SAYING ICRC "KICKS THE US AROUND" AND WAS YIELDING "TO EASTERN BLOC, NORDIC AND PERHAPS OTHER PRESSURES TO CONTEMPTUOUSLY IGNORE US" (UPI).

2. MCCOMBS (WP), IN SAIGON, REPORTS THAT EXECUTIVES OF 11 OIL COMPANIES SIGNED GOVT. CONTRACTS THERE THURSDAY TO EXPLORE FOR OIL IN S. CHINA SEA OFF SVN COAST. EXECUTIVES OF BRITISH FIRM OMCO FAILED TO SHOW, CAUSING CONCERN AMONG GVN OFFICIALS WHO SAID OMCO STILL HAS 15 DAYS TO SIGN. SIGNING CEREMONY REPRESENTED ANOTHER

IMPORTANT GVN STEP IN EXPLOITING POSSIBLE OFFSHORE OIL RESERVES ON WHICH ECON PLANNERS PIN SO MUCH HOPE FOR COUNTRY'S DEVELOPMENT, MCCOMBS OBSERVES. GOVT. STANDS TO LOSE 11.4 MILLION DOLS OF ITS "SIGNATURE BONUS" IF OMCO DOES NOT SIGN, AND FIRM STANDS TO LOSE 400,000 DOLS DEPOSIT.

TERMS OF THURSDAY'S AGREEMENT ARE LUCRATIVE FOR GVN, AND AFTER FIVE YEARS AT LEAST 60 PERCENT OF EACH COMPANY'S EXECUTIVE LEVEL PERSONNEL WORKING IN VN MUST BE VIETNAMESE. GVN PLANS HIRING US EXPLORATION COMPANY TO SEARCH FOR OIL OFF CENTRAL VN SEVERAL HUNDRED MILES NORTH OF SAIGON, ACCORDING ECONMIN CUONG, AND NATIONAL PETROLEUM BOARD IS TRYING TO ENCOURAGE COMPANIES TO EXPLORE FOR OIL INLAND IN MEKONG DELTA SOUTH OF SAIGON.

3. REUTER SAIGON REPORTS GVN COMMAND STATEMENT THAT GOVT. FORCES SUFFERED NINE KILLED AND 98 WOUNDED IN SHELLINGS AND INFANTRY ATTACKS ON THEIR LINES
UNCLASSIFIED

PAGE 03 STATE 140864

AROUND BEN CAT THURSDAY -- PROBABLY HIGHEST SINGLE-DAY CASUALTIES SINCE COMMUNIST FORCES ATTACKED SAIGON OUTER DEFENSES IN THIS AREA SIX WEEKS AGO.

4. REMAINS OF ONE GI MIA, AND POSSIBLY FOUR OTHERS, HAVE BEEN DISCOVERED AMONG WRECKAGE OF TWO AIRCRAFT IN SVN MOUNTAINOUS REGIONS, ACCORDING TO US AND SVN SOURCES THURSDAY (AP WP, NYPOST 6/27; UPI, PHINQ).

CHINA

5. REUTER'S MICHAEL KRAFT DISCUSSES JACKSON TRIP TO PEKING. "ALL-BUT-ANNOUNCED CANDIDATE" FOR 1976

IS PARTICULARLY INTERESTED IN TALKING ABOUT NUCLEAR ARMS CONTROLS WITH CHINESE, AND CONTENDS THAT LONG-RANGE STABILITY REQUIRES EVENTUAL PRC INVOLVEMENT IN US-SOVIET NUCLEAR ARMS CONTROL AGREEMENTS. SENATOR'S AIDES SAY IT IS ONLY BECAUSE OF SCHEDULING PROBLEMS THAT HE IS MAKING LONG-PLANNED TRIP WHILE PRES. ATTENDS MOSCOW SUMMIT; THAT IT WAS TIMED TO FIT IN WITH SENATE JULY 4 HOLIDAY RECESS. AIDES BELIEVE JACKSON IS FIRST MEMBER OF CONGRESS TO BE INVITED INDIVIDUALLY TO CHINA. UNLIKE PREVIOUS CONGRESSIONAL VISITORS, MOST OF TRIP WILL BE SPENT IN PEKING, WITH VISIT PERHAPS TO SOOCHOW, ACCOMPANIED BY MIT'S LUCIAN PYE AND HARVARD'S DWIGHT PERKINS.

6. REUTER PEKING REPORTS NEW WALL POSTERS ATTACKING PROVINCIAL LEADERS HAVE BEEN ADDED TO THOSE SPROUTING

THERE RECENTLY COMPLAINING OF CITY OFFICIALS' BEHAVIOR. NEW 15-PAGE SET OF POSTERS ATTACKS CHENGCHOW MUNICIPAL LEADERS, ACCUSING CHENGCHOW LEADER WANG CHUN-CHIH OF TRYING TO BREAK UP AN INDUSTRIAL COOPERATIVE. BUT DESPITE STRONG ATTACKS AGAINST NUMBER OF PROVINCIAL LEADERS IN RECENT MONTHS, MOST CONTINUE TO HOLD THEIR JOBS. MOST FOREIGN ANALYSTS IN PEKING TEND TO DISCOUNT MORE LURID ALLEGATIONS IN POSTERS; BUT EVEN IF ONLY HALF ARE TRUE, THEY AMOUNT TO SUBSTANTIAL CORE OF RESENTMENT, PARTICULARLY AGAINST POLICE (SUN, NYT).

UNCLASSIFIED

PAGE 04 STATE 140864

JAPAN

7. AMB. HODGSON TOLD THURSDAY NEWS CONFERENCE OF JAPANESE AND US REPORTERS THAT PRES. "HAS INDICATED HIS INTEREST IN A VISIT TO JAPAN THIS YEAR, AND I HAVE HEARD NOTHING TO THE EFFECT THAT HE HAS CHANGED HIS MIND. BUT PRESIDENTIAL VISITS ARE NOT PLANNED FAR IN ADVANCE AND DEPEND UPON HIS SCHEDULE, SO NO SPECIFIC DATE HAS BEEN SET." AMB. SAID THAT BEFORE HIS PRESENTLY-PLANNED JULY 15 TOKYO ARRIVAL, HE WILL CONFER WITH PRES. IN WASHINGTON OR SAN CLEMENTE (AP, WP).

8. KURODA SAYS NIXON'S REACTOR DEAL WITH EGYPT HAS AFFECTED "SOME JAPANESE VIEWS" ON NPT RATIFICATION. TREATY SIGNED BUT TECHNICAL QUESTIONS, PARTICULARLY REGARDING INSPECTION, STILL TO BE WORKED OUT (REUTER, WP).

9. AGREEMENT SIGNED FOR 450 MILLION DOLLION DOL LOAN TO SOVIETS FOR FINANCING COAL MINING IN YAKUTSK, FIRST EVER MADE TO THEM BY CONSORTIUM OF JAPANESE BANKS.

EIGHTY PERCENT OF FUNDS TO COME FROM EX-IM BANK. MOST OF LOAN TO BE USED FOR PURCHASE OF JAPANESE EQUIPMENT (JOC).

10. IN PEACE GESTURE, ADM. MOREELL RETURNS JAPANESE SWORD TAKEN AS WAR TROPHY 29 YEARS AGO (AP, NY POST 6/27).

BURMA

11. WP'S SHARKEY REPORTS GUB THIS MONTH FORCIBLY SUPPRESSED MOST SERIOUS OUTBREAK OF ECONOMIC UNREST SINCE 1948 INDEPENDENCE FROM BRITAIN. WHILE PEACE RESTORED, BASIC CAUSES OF UNREST -- SHORTAGES AND HIGH FOOD PRICES -- REMAIN. WORSE TROUBLES AHEAD FEARED. ACCORDING TO

GOVT, 22 KILLED AND 60 INJURED JUNE 6 WHEN TROOPS FIRED ON DEMONSTRATORS. PROTESTS WERE CULMINATION OF MONTHS OF UNREST BEGINNING ON SMALL SCALE IN NORTH. UNCLASSIFIED

PAGE 05 STATE 140864

BY EARLY JUNE, 42 GOVT. MILLS AND FACTORIES STRUCK AND IN HANDS OF WORKERS, WHO DEMANDED MORE RICE, HIGHER PAY, AMNESTY FOR SELVES, AND DISSOLUTION OF WORKERS' COUNCILS USED BY GOVT TO CONTROL UNION. ATTEMPTED TO ENLIST AID OF STUDENTS -- UNSUCCESSFULLY GOVT SAYS -- BUT SCHOOLS CLOSED INDEFINITELY AFTER SHOOTING. GOVT HAS PROMISED TO MEET DEMANDS AS ABLE, BUT ROOT OF PROBLEM IS GOVT DEPENDENCE ON RICE EXPORTS TO EARN FOREIGN CURRENCY TO FINANCE DEVELOPMENT PROJECTS. FARMERS WITHHOLDING RICE DUE TO LOW GOVT PRICE, SELLING ON BLACK MARKET, WHILE AT SAME TIME FAILING TO INCREASE ACREAGE IN CULTIVATION. RESULT IS DROP IN BURMESE EXPORTS, WITH THIS YEAR'S GOVT PROCUREMENT EXPECTED TO FALL BELOW EVEN DOMESTIC NEEDS. BURMESE RICE SURPLUS GONE DUE TO STUBBORNNESS OF BURMESE FARMERS, STEADY POPULATION GROWTH.

THAILAND

12. ACTING ON NEWSPAPER TIP, POLICE RAIDED GARMENT FACTORY, FREED 54 CHILDREN TREATED AS SLAVES. OWNER CHARGED WITH ILLEGAL DETENTION OF CHILDREN, VIOLATION OF LABOR LAW. SOME LURED BY FALSE PROMISE OF WAGES, OTHERS SOLD OUTRIGHT BY PARENTS. THAI PUBLIC WELFARE WILL CARE FOR THEM -- MANY SUFFERING FROM MALNUTRITION AND SKIN DISEASE -- AND TRY TO SEND THEM HOME (AP CHITRIB, PHINQ, SUN, WP, GLOBE, NYPOST 6/27).

AUSTRALIA

13. CSM'S SOUTHERLAND DESCRIBES WHITLAM AS UN UNDER HANDICAP -- NEVER WORKED WITH HANDS OR LED STRIKE, VIEWED WITH SUSPICION BY BLUE-COLLAR MEN, CRITICIZED BY ALP COLLEAGUES AS BEING ALOOF. BUT PARTY SUPPORTERS HAVE COME TO REALIZE WHITLAM RESPONSIBLE FOR ITS RISE TO POWER -- HAD TO ATTRACT SUBURBAN MIDDLE CLASS. UNDER WHITLAM, ALP INCREASINGLY PARTY OF TECHNOCRATS, ACADEMIC ADVISORS, AND PROFESSIONAL MEN. WHILE FAILING TO WIN HOPED-FOR LANDSLIDE IN LATEST ELECTION, SOUTHERLAND SEES HIM TOWERING UNCLASSIFIED

PAGE 06 STATE 140864

OVER AUSTRALIA'S POLITICAL LANDSCAPE.

KOREA

14. SK JETS AND NAVAL CRAFT RUSHED TO AREA OFF EAST COAST FRIDAY AFTER PATROL BOAT REPORTED BEING ATTACKED BY 3 NK GUNBOATS JUST SOUTH OF BORDER. DEFENSE MINISTRY SAYS PATROL BOAT GUARDING FISHING VESSELS (REUTER SEOUL).

COMMENT AND ANALYSIS

VIETNAM

15. IN ARTICLE DISCUSSING ALLEGATIONS OF SECRET UNDERSTANDING BETWEEN HAK AND SOVIETS DURING SALT NEGOTIATIONS, WP'S MARILYN BERGER REFERS TO PROBLEMS ENCOUNTERED BY US NEGOTIATORS OPERATING IN DARK. SAYS TOP OFFICIALS "BEGAN TO WONDER WHAT ELSE" HAK MAY HAVE BEEN CARRYING AROUND IN VEST POCKET. IN CONTEXT OF "SECRET UNDERSTANDINGS NOW SURFACING", BERGER SAYS (WITHOUT ELABORATING) THAT "PROMISES TO THE NORTH VIETNAMESE WERE SUDDENLY APPEARING."

CHINA

16. GRC EMBASSY ADVISER AND FORMER INFO CHIEF RICHARD JEN WRITES TO CSM EDITOR DECRYING YOST'S "REINFORCING DETENTE WITH CHINA" ARTICLE. SAYS YOST'S VIEW THAT OTHER SEA NATIONS SHOULD QUICKLY FOLLOW MALAYSIA IN EXAMPLE IN ESTABLISHING DIPLOMATIC RELATIONS WITH PEKING IS BASED ON RATIONALE CHARACTERIZED BY NAIVETE REGARDING PRC'S GLOBAL STRATEGY AND BY CHILDLIKE FAITH IN THE DEPENDABILITY OF PEKING'S "ASSURANCES. NOTES THAT ONE WEEK AFTER AGREEMENT TO ESTABLISH RELATIONS, WHICH INCLUDED ASSURANCES OF NONINTERVENTION IN INTERNAL AFFAIRS, GUERRILLAS IN MALAYSIA - TRAINED, EQUIPPED, AND DIRECTED BY CHINESE COMMUNISTS - NULLIFIED PROMISE BY

ASSASSINATING INSPECTOR-GENERAL X POLICE AS
UNCLASSIFIED

PAGE 07 STATE 140864

HANDS-OFF WARNING TO MALAYSIAN AUTHORITIES. CITES
S-N'S DISPATCH DRAWING CONCLUSION THAT MURDER OF
POLICE CHIEF EMPHASIZES THAT "ESTABLISHMENT OF
DIPLOMATIC RELATIONS WITH PEKING DOES NOT PROTECT
A SOUTHEAST ASIAN COUNTRY FROM MAOIST GUERRILLAS."
CHINESE COMMUNISTS HAVE BEEN CARRYING ON CAMPAIGN TO
STIR UP ARMED INSURGENCY IN EVERY SEA COUNTRY, FROM
INDONESIA TO BURMA.

CHINA/USSR

17. NYT'S RESTON CONTRASTS FOREIGN RELATIONS APPROACH
OF NIXON, HAK AND JACKSON. LATTER'S MAIN THEME
IS THAT "DETENTE" IS ;OVIET TRAP TO ACHIEVE MIL
DOMINATION THEY COULDN'T GET WITH THREATS AND BLUSTER.
JACKSON INSISTS HE IS NOT AGAINST ACCOMMODATION WITH
MOSCOW, BUT WANTS IT ON TERMS HAK DOESN'T THINK HE
CAN GET. HE DOES NOT DENY THAT WATERGATE HAS WEAKENED
THE ADMIN, BUT THINKS USSR IS MUCH WEAKER THAN US,
NEEDS TRADE AND WESTERN TECHNOLOGY MORE THAN WE NEED
WHAT HE REGARDS AS DUBIOUS POLITICAL ADVANTAGES OF
"DETENTE." IN SHORT, HE BELIEVES HAK HAS MISJUDGED
THE WORLD POLITICAL AND STRATEGIC PROBLEM, AND CHARGES
HAK IS TOO "SOFT" AND NIXON TOO "EAGER" TO MAKE
MIL AND COMMERCIAL CONCESSIONS. ACCORDING RESTON,
JACKSON LEAVES LITTLE ROOM FOR TE HONORABLE PERPLEXITIES
OF FOREIGN AFFAIRS, OR FOR THE NOTION THAT GREAT
NATIONS CAN CHANGE; IN THE SLOW PHILOSOPHIC APPROACH
OF HAK, HE SEES NOTHING BUT COMING WHIRLWIND OF DISASTER.

A RESTON OBSERVES THAT JACKSON HAS ALWAYS SUSPENDED
JUDGMENT ABOUT GOOD INTENTIONS OF SOVIETS. HE BELIEVES
IN PERSUASIVE QUALITY OF POWER RATHER THAN OF PHILOSOPHY,
AND RELIES ON IT MORE THAN ON FAIRNESS OF THE RUSSIANS
ORELOQUENCE OF HAK OR JUDGMENT AND WISDOM OF NIXM.
HAK SEES WORD AS FUNDAMENTALLY INTRICATE, BUT CAPABLE
OF CHANGE IF A MODICUM OF TRUST CAN BE ESTABLISHED
BY MUTUALLY BENEFICIAL COMPROMISES. HE WOULD, AS
HE PROPOSED TO SADAT, "TAKE CHANCES FOR PEACE,"
BELIEVING THAT NOT TO TAKE CHANCES WOULD BE THE LARGER
RISK. IF JACKSON IS GAMBLING HIS LAST CHANCE FOR
UNCLASSIFIED

PAGE 08 STATE 140864

PRESIDENCY ON THIS ASSUMPTION, IT IS PROBABLY AN HONEST
BUT POOR GAMBLE, FOR HE IS INVITING A RETURN TO COLD
WAR, AND THIS IS NOT LIKELY TO BE MOST POPULAR PLATFORM
IN 1976. BUT

IF NIXON'S EFFORTS AT DEPENDABLE ARMS
CONTROL AND GENUINE PEACE IN ME DO NOT PRODUCE RESULTS,
PUBLIC OPINION COULD MOVE TOWARD JACKSON. THE CHINESE
WILL WELCOME AND AGREE WITH JACKSON. HIS VISIT TO
PEKING WILL GIVE JACKSON A PLATFORM TO CONTINUE HIS
CAMPAIGN.

18. CHITRIB'S MICHAEL MCGUIRE, IN MOSCOW, CITES "WAR OF
ADJECTIVES AND VERBS" SIZZLING BETWEEN MOSCOW AND
PEKING SINCE SOVIET HELICOPTER WENT DOWN IN CHINA
IN MARCH. MOST FOREIGN DIPLOMATS IN MOSCOW -- "AS IS
USUALLY THE CASE WHEN SINO-SOVIET AFFAIRS ARE INVOLVED" --
SEEM "WILDLY CONFUSED," AND EVEN CHINESE DIPLOMATS
THERE "CAN'T SEEM TO AGREE ON WHAT IT ALL MEANS." BUT

THERE ARE THREE BASIC REASONS WHY INCIDENT WILL NOT
LEAD TO SHOOTING WAR. KREMLIN LEADERSHIP APPEARS
BANKING ITS FUTURE RELATIONS WITH PRC ON NEW LEADERSHIP
EMERGING WITH DEMISE OF MAO AND CHOU; SOVIETS WOULD
NOT WANT TO RISK SETBACK IN RELATIONS WITH US; AND
KREMLIN WOULD NOT WANT TO RISK SMASHING ITS IMAGE
IN WE AND PARTS OF ASIA WHERE ITS INFLUENCE IS
HIGH (PHINQ).

CAMBODIA

19. NYT'S SHIPER IN PP WRITES ABOUT PREVAILING MOOD
IN CAPITAL. SAYS INSURGENT ROCKETS HEIGHTEN
FEARS BUT DO NOT IGNITE PANIC, PEOPLE TAKE
PRECAUTIONS BUT DO NOT ABANDON DAILY ACTIVITIES;
THERE IS CERTAIN FATALISM ABOUT BEING IN
WRONG PLACE AT WRONG MOMENT. NEARLY 1400
PEOPLE HAVE BEEN IN WRONG PLACE IN CAPITAL AT WRONG
TIME IN RECENT MONTHS; NEARLY 400 KILLED AND 1000
WOUNDED BY ROCKETS AND SHELLS. SCHOOLS DRAPED WITH
ANGRY ANTI-GKR BANNERS DECRYING CORRUPTION AND GOVT.
IMPOTENCE, BUT STUDENTS FEEL UNABLE TO CHANGE
UNCLASSIFIED

PAGE 09 STATE 140864

GOVT. MEN AT MARKETPLACE BET ON WEATHER, BECAUSE
THERE'S NO WORK TO DO. SISCO

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 27 JUL 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS SUMMARIES
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE140864
Document Source: ADS
Document Unique ID: 00
Drafter: EA/P:STAFF:PP
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D740173-0490
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740688/abbryzph.tel
Line Count: 370
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 11 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 OCT 2002 by PhilliR0>; APPROVED <14 JAN 2003 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JUNE 28 EA PRESS SUMMARY
TAGS: PFOR, XC, US
To: SAIGON INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
TREASURY
USSAGE NKP
JEC PARIS
BIEN HOA
CAN THO
DANANG

HONG KONG
NHA TRANG
CINCPAC
COGARD
XMT SUVA
Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005